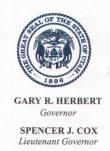
UTAH



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining JOHN R. BAZA

Division Director

July 1, 2016

Kim Wilson kewilson50@gmail.com

Subject: Comments Concerning Notice of Intention to Commence Small Mining Operations,
Bromide Mining LLC, Bromide Basin Mine, S/017/0031, Garfield County, Utah

Dear Mr. Wilson:

Thank you for your electronic mail message dated May 27, 2016, concerning the Bromide Basin mine. You raised several important issues, some of which will require additional information in the Notice of Intention to Commence Small Mining Operations (Notice or NOI).

Comment 1:

Martinique Mining Corporation owns water right 95-240 which entails all of the waters in the Crescent Creek drainage or almost all, with a total 15.615 cubic feet per second water right. Bromide Mining owns no water right to Crescent Creek at all. Bromide has water right 95-486, which entails only 3.0 CFS from the El Padre underground mine only.

Question: Bromide intends to divert Crescent Creek into a 24" pipe and return waters into a 1.1 acre foot "tailings or settling pond" directly in the Crescent Creek drainage below the Har El mill?

We have met with Utah Division of Water Rights and confirmed these facts. No Point of Diversion request has been issued to Water Rights by MMC, nor point of return. Tailings or holding reservoirs in the drainage are also not permitted.

Division of Oil, Gas and Mining (Division) response to comment 1:

The Division of Water Rights has jurisdiction over water rights issues and those associated with the pond in the drainage. The approval or acceptance of a complete Notice of Intention does not relieve an operator from complying with the applicable requirements of other agencies, but the Division does not have the authority to enforce other agencies' statutes or rules. The Division is aware that water from Crescent Creek is diverted into a 24-inch pipe, and the operator should have a stream alteration permit for this activity. The Division understands from Charles Williamson with the Division of Water Rights that Bromide Mining is in the process of applying for a stream alteration permit for this activity though the application has yet to be submitted.

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Comment 2:

Where does Bromide Mining obtain its water for use at the Har El mill? We have observed a vertical cistern and pipeline from Crescent Creek and entering the mill tailings pond. This is not acceptable to MMC as Bromide owns no water rights to Crescent Creek.

Division response to comment 2:

The Division does not have specific requirements that the operator state from where its water will come for the processing facility and does not have jurisdiction over water rights. The Division will forward those concerns to the Division of Water Rights. The operator has stated that the mill will use minimal amounts of water.

Comment 3:

Bromide has stated within the NOI, that it will operate the mill using flotation and on the diagram map shows flotation cells within the mill process. Flotation requires reagents within the system waters to function properly. Within the NOI under "OPERATION PLAN", we see Bromide has marked yes to question 4, but the Bromide response is very understated and unclear. What chemical reagents will be used within the process which could contaminate or be discharged into the waters of Crescent Creek, which Martinique Mining Corporation owns and uses downstream at the May Day Mill.

Response to comment 3:

The Division will require further information about the process and about reagents. Any deleterious materials need to be identified, stored properly, and eventually removed or left in an isolated or neutralized condition such that adverse environmental effects are eliminated or controlled.

The Notice says there will be water feed only with gravity and flotation. As stated in your comment, flotation would normally require the use of reagents.

Comment 4:

Is the 1,000 gallon septic system for crew restroom use and will it be properly inspected for water discharge into the Crescent Creek water basin?

Response to comment 4:

The Notice does not state whether the 1000-gallon septic tank is for crew restroom use. The operator is currently using portable toilets.

The septic tank and associated drain field are primarily under the jurisdiction of the Southwest Utah Public Health Department and must be permitted through that agency.

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The Notice, however, needs to show locations of facilities. The Division has been informed that the minimum size for the septic tank for 32 employees (as stated in the Notice) would be 2400 gallons, but a smaller size would be needed for fewer employees. The drain field needs to be designed by someone approved by the Department of Environmental Quality and must be at least 100 feet from water sources, such as streams or ditches.

The current operation is permitted for less than five acres. The operator has closed the Bromide Mine portals, and there are no current mining activities. The operator intends to process some stockpiled ore through the mill.

Please contact Wayne Western at 801-538-5263 or me at 801-538-5261 if you have further questions. In reply please refer to file number S/017/0031.

Sincerely,

Paul B. Baker

Minerals Program Manager

PBB: whw: eb

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